

Message Text

CONFIDENTIAL

PAGE 01 LONDON 06816 01 OF 05 271028Z
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 AF-04 IO-06 L-01 H-01 INR-05
PM-03 PRS-01 SP-02 ACDA-10 EB-04 OMB-01 USIA-01
TRSE-00 NSC-05 NSCE-00 CIAE-00 DODE-00 EA-06 /073 W
-----271101Z 009704 /21

R 271122Z APR 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 3114
INFO AMEMBASSY ANKARA
AMEMBASSY ATHENS
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY THE HAGUE
AMEMBASSY LISBON
AMEMBASSY LUXEMBOURG
AMEMBASSY MADRID
AMEMBASSY MOSCOW
AMEMBASSY NICOSIA
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY REYKJAVIK
AMEMBASSY ROME
AMCONSUL CAPE TOWN
USMISSION BERLIN
USMISSION USUN NEW YORK
USMISSION NATO BRUSSELS
USMISSION EC BRUSSELS

C O N F I D E N T I A L SECTION 01 OF 05 LONDON 06816

LIMDIS

E. O. 11652:XGDS-1
TAGS: PFOR, UK
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 06816 01 OF 05 271028Z

SUBJECT: A PERSPECTIVE ON BRITISH FOREIGN POLICY
BEGIN SUMMARY: THE UK'S DOMESTIC CONDITION IS BAD.
ITS FOREIGN POLICY HAS LOST MOST OF ITS MUSCLE. YET IT
ASSUMES THAT ITS SEAT SHOULD BE PRESERVED AT THE TOP
TABLE BECAUSE OF ITS INTERNATIONAL EXPERIENCE AND GLOBAL
INTERESTS. BRITAIN'S EUROPEAN POLITICAL AND SECURITY
CONCERNS ARE PURSUED FROM THE PREMISE THAT ONLY THE

US CAN PROVIDE THE NECESSARY WEIGHT TO ACHIEVE EAST-WEST BALANCE ON THE CONTINENT. EUROPEAN DEFENSE COOPERATION OFFERS NO CREDITABLE ALTERNATIVE. THEREFORE, BRITAIN SUPPORTS AN UNAMBIGUOUS US COMMITMENT TO THE DEFENSE OF EUROPE AND TRIES TO SMOOTH OVER US-EUROPEAN DISAGREEMENTS. WITH BRITAIN'S RETREAT FROM ITS GLOBAL POLITICAL ROLE, WE NOW HAVE LESS TO QUARREL ABOUT STRATEGICALLY THAN EVER BEFORE. BRITISH ECONOMIC INTERESTS FLOW FROM THE FACT THAT THE UK IS A TRADING NATION AND REQUIRES A STABLE WORLD ORDER. IN ITS WEAKENED CONDITION, BRITAIN FINDS PREEMINENT ECONOMIC IMPLICATIONS IN INTERNATIONAL ISSUES WHICH SEEM PRIMARILY POLITICAL TO THE US. THESE ECONOMIC VULNERABILITIES ALSO MAKE UP THE HEART OF BRITAIN'S PRESENT VIEW OF ITS LEADERSHIP OF THE COMMONWEALTH. FROM BRITAIN'S PERSPECTIVE, RELATIONS WITH THE US WILL CONTINUE TO HAVE PRIMACY WITHIN THE NEXT FEW YEARS. WHEN TRANSATLANTIC CONFLICTS EMERGE ON INTERNATIONAL ISSUES, AND IF UK ECONOMIC INTERESTS CAN BE REASONABLY PROTECTED, WE BELIEVE BRITAIN WILL USUALLY SIDE WITH THE US. END SUMMARY.

I. INTRODUCTION

1. THE SUCCESS OF A NATION'S FOREIGN POLICY DEPENDS TO A MARKED DEGREE ON THE HEALTH AND VITALITY OF ITS DOMESTIC CONDITION. SAD TO SAY, THE UNITED KINGDOM'S DOMESTIC CONDITION IS BAD. ITS DIFFICULTIES ARE MANIFOLD AND DEPRESSINGLY FAMILIAR: CORROSIVE CLASS CONSCIOUSNESS, 16.5 PERCENT INFLATION, 1 1/2 MILLION

CONFIDENTIAL

PAGE 03 LONDON 06816 01 OF 05 271028Z

UNEMPLOYED, LONG-TERM LACK OF INDUSTRIAL INVESTMENT, IMMENSE SOCIAL SERVICE EXPENDITURES, A HUGE PUBLIC SECTOR BORROWING REQUIREMENT, SCOTTISH NATIONALISM, AND MURDEROUS INSURRECTION IN NORTHERN IRELAND. LOOKING AT THIS BLEAK CATALOG, IT SEEMS FAIR TO CONCLUDE THAT BRITAIN IS IN ITS MOST INFIRM INTERNAL SITUATION SINCE 1946-47. ANY ESTIMATE OF ITS ABILITY TO AID US OBJECTIVES IN SOUTHERN AFRICA OR ANYWHERE ELSE MUST BEGIN WITH THIS DOLEFUL FACT. ITS FOREIGN POLICY HAS, FOR REASONS LARGELY UNRELATED TO THE GRADUAL MULTILATERALIZING OF INTERNATIONAL ISSUES, LOST MOST OF ITS MUSCLE. DENIS HEALEY OBSERVED SEVERAL YEARS AGO THAT THE INTERNATIONAL INFLUENCE OF A NATION COULD BE BEST MEASURED BY ITS ABILITY TO HELP ITS FRIENDS AND HURT ITS ENEMIES. OUTSIDE EUROPE, THE UNITED KINGDOM CAN DO LESS OF EITHER TODAY THAN AT ANYTIME SINCE SIR FRANCIS DRAKE.

2. AND YET THE CALLAGHAN GOVERNMENT, LIKE THE WILSON,

HEATH, DOUGLAS-HOME, MACMILLAN, EDEN, CHURCHILL AND
ATTLEE GOVERNMENTS BEFORE IT, ASSUMES THAT ITS SEAT
WILL BE PRESERVED AT THE TOP TABLE. WEAKNESS, THEY
SAY, SHOULD NOT MEAN EXCLUSION FROM RESTRICTED
GATHERINGS WHERE THEIR INTERESTS ARE AFFECTED. THE
UK CHAIRS THE NUCLEAR SUPPLIERS CLUB, SHARES WITH THE
FRG A PRIVILEGED MBFR POSITION WITHIN THE ALLIANCE,
AND EXPECTS AN EARLY ROLE IN THE CTB NEGOTIATIONS.
BRITAIN BASES THIS ASSERTION OF ITS IMPORTANCE PARTLY

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 06816 02 OF 05 271033Z

ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 AF-04 IO-06 L-01 H-01 INR-05

PM-03 PRS-01 SP-02 ACDA-10 EB-04 OMB-01 USIA-01

TRSE-00 NSC-05 NSCE-00 CIAE-00 DODE-00 EA-06 /073 W

-----271101Z 009760 /21

R 271122Z APR 77

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 3115

INFO AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY LISBON

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMEMBASSY MOSCOW

AMEMBASSY NICOSIA

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY REYKJAVIK

AMEMBASSY ROME

AMCONSUL CAPE TOWN

USMISSION BERLIN

USMISSION USUN NEW YORK

USMISSION NATO BRUSSELS

USMISSION EC BRUSSELS

C O N F I D E N T I A L SECTION 02 OF 05 LONDON 06816

LIMDIS

ON ITS RETENTION OF MAJOR POWER RELICS, SURVIVORS OF
A MORE LUSTROUS UK AGE: A PERMANENT SEAT IN THE UN
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 06816 02 OF 05 271033Z

SECURITY COUNCIL, OCCUPATION RIGHTS IN BERLIN, MAJOR
MEMBERSHIP IN NATO AND A STRATEGIC NUCLEAR FORCE.

3. FURTHER, AS THE BRITISH HAVE STATED FOR 30 YEARS
THROUGH STEADILY DECLINING INFLUENCE, THEY BRING TO
INTERNATIONAL POLITICS CENTURIES OF GLOBAL EXPERIENCE.
THEY ACCEPT THEY CAN NO LONGER DIRECT. TODAY THEY
CAN ONLY COUNSEL, PERHAPS MOST IMPORTANTLY IN
MACMILLAN'S ACUTE PHRASE OF 45 YEARS AGO, AS THE
CIVILIZING GREECE TO AMERICA'S ROME. THEY BELIEVE THAT
THEY OFFER TO THE INTERNATIONAL POLITICAL PROCESS A
PARTICULARLY USEFUL, INDEED INDISPENSABLE PRAGMATISM.
HAVING ACCEPTED SOME TIME AGO THAT EVIL IS ON THE
EARTH TO STAY, HMG APPROACHES MOST PROBLEMS IN A
SPIRIT OF COMPROMISE AND MODERATION. THE WORDS "NOBLE
AND SOVEREIGN REASON" WERE WRITTEN BY AN ENGLISH POET.
THE BRITISH TRAVEL SQUARELY IN THE MIDDLE OF MOST ROADS
WHETHER THEY LEAD TOWARD THE BELGRADE REVIEW CONFERENCE,
HUMAN RIGHTS IN EASTERN EUROPE AND THE USSR, OR AN
EQUITABLE SOLUTION TO THE PROBLEMS OF THE MIDDLE EAST.
WEAKNESS IS A MAJOR, BUT BY NO MEANS THE ONLY FACTOR
IN THIS CURRENT BRITISH MODERATION. WILSONIAN
IDEALISM HAS NO COMFORTABLE HOME HERE. FOR A GOOD
LONG TIME, THE BRITISH HAVEN'T BELIEVED MUCH IN CRUSADES.

4. THE BRITISH, WHILE DISPOSING OF ONLY MARGINAL
GLOBAL INFLUENCE, NONETHELESS CONTINUE TO HAVE GLOBAL
INTERESTS, NOW LARGELY ECONOMIC. ALTHOUGH THEY CAN
PROVIDE ONLY LIMITED ASSISTANCE IN MANAGING INTERNATIONAL
DEVELOPMENTS, THEY CAN BE BADLY DAMAGED BY THEM,
ESPECIALLY ECONOMICALLY. THEY LIVE WITH THIS PERSISTENT
VULNERABILITY.

II. BRITISH POLITICAL AND SECURITY INTERESTS

5. RESTING ONLY A FEW MILES FROM THE EUROPEAN LAND
MAAN THE UK HAS TRADITIONALLY MANEUVERED TO DENY ANY
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 06816 02 OF 05 271033Z

SINGLE NATION OR ALLIANCE THE POWER TO DOMINATE THE CONTINENT. ONLY THROUGH THE MAINTENANCE OF THIS CONTINENTAL BALANCE OF POWER COULD THE BRITISH SYSTEM AND VALUES BE SAFEGUARDED. THUS, BLENHEIM, THE PENINSULA CAMPAIGNS, BELGIUM IN 1914, POLAND IN 1939, AND THE NORTH ATLANTIC TREATY. THE BRITISH COMMITMENT TO THE PRESENT EAST-WEST BALANCE IN EUROPE IS ROOTED DEEP IN THIS COUNTRY'S HISTORY. LIKE FRANCE AND GERMANY BEFORE IT, THE USSR MUST NOT GAIN HEGEMONY OVER EUROPE.

6. THE UNITED KINGDOM IS CONVINCED NOW, AS IT WAS IN 1945, THAT ONLY THE UNITED STATES CAN PROVIDE THE NECESSARY WEIGHT TO ACHIEVE THIS BALANCE ON THE CONTINENT. ALTHOUGH HEATH TOYED IN THE EARLY '70'S WITH A UK-FRENCH NUCLEAR FORCE TO BE HELD IN TRUST FOR EUROPE, SUCH THIRD FORCE IDEAS HAVE BEEN SEEN HERE AS DELUSIVE. MOREOVER, AS TINDEMANS RECOGNIZED IN HIS REPORT, EUROPEAN DEFENSE COOPERATION OF THAT INTENSITY AND INTEGRATION IS SIMPLY NOT ON IN THE FORESEEABLE FUTURE. IT WOULD MEAN DRAMATICALLY HIGHER EUROPEAN DEFENSE EXPENDITURES ON CONVENTIONAL ARMS AND BILLIONS TO CREATE A SIGNIFICANTLY ENHANCED AND THUS PLAUSIBLE EUROPEAN DETERRENT. CALLAGHAN SAID IT STARKLY IN WASHINGTON IN MARCH. MOST EUROPEAN GOVERNMENTS SIMPLY WON'T SPEND MORE ON DEFENSE. THEY WOULD RATHER TAKE THE CHANCE.

7. THERE ARE, OF COURSE, OTHER OBSTACLES AS WELL. FRANCE IS UNLIKELY TO RENOUNCE ITS SOVEREIGN RIGHT TO USE ITS MILITARY FORCES WHENEVER AND WHEREVER IT CHOOSES, AND IN ANY EVENT WOULD MAKE AN EXCEEDINGLY AWKWARD NUCLEAR PARTNER FOR THE UNITED KINGDOM. EUROPEAN POLITICAL INTEGRATION, ON WHICH EUROPEAN DEFENSE COOPERATION ULTIMATELY RESTS, IS NEARLY DEAD IN THE WATER. GIVEN THE CURRENT ECONOMIC DIFFICULTIES AND DIVERGENCIES WITHIN THE COMMUNITY AND THE PROSPECTIV

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 LONDON 06816 02 OF 05 271033Z

MEMBERSHIP OF GREECE, PORTUGAL AND SPAIN, EUROPEAN INTERNAL POLITICAL COHESION IS UNLIKELY TO ACCELERATE SIGNIFICANTLY IN THE YEARS AHEAD. THE REVERSE MAY WELL BE TRUE. AND EVEN IF THE PACE OF EUROPEAN CONSTRUCTION DOES PICK UP, IT COULD WELL HASTEN, FROM WEAKENED BRITAIN'S POINT OF VIEW, A WESTERN EUROPE PRINCIPALLY PROPELLED BY FRANCE AND THE FEDERAL REPUBLIC--A THOUGHT NOT TRADITIONALLY TREASURED HERE. WORSE STILL, AN EVER MORE POWERFUL GERMANY WITHOUT A SECURE US ANCHOR IN EUROPE WOULD REVIVE UGLY MEMORIES

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 06816 03 OF 05 271038Z
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 AF-04 IO-06 L-01 H-01 INR-05
PM-03 PRS-01 SP-02 ACDA-10 EB-04 OMB-01 USIA-01
TRSE-00 NSC-05 NSCE-00 CIAE-00 DODE-00 EA-06 /073 W
-----271102Z 009805 /21

R 271122Z APR 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 3116
INFO AMEMBASSY ANKARA
AMEMBASSY ATHENS
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY THE HAGUE
AMEMBASSY LISBON
AMEMBASSY LUXEMBOURG
AMEMBASSY MADRID
AMEMBASSY MOSCOW
AMEMBASSY NICOSIA
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY REYKJAVIK
AMEMBASSY ROME
AMCONSUL CAPE TOWN
USMISSION BERLIN
USMISSION USUN NEW YORK
USMISSION NATO BRUSSELS
USMISSION EC BRUSSELS

C O N F I D E N T I A L SECTION 03 OF 05 LONDON 06816

LIMDIS

IN THESE ISLANDS. SO THE EUROPEAN DEFENSE OPTIONS
BRITAIN SEEKS TO MAINTAIN THROUGH THE EPG, THROUGH
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 06816 03 OF 05 271038Z

AVOIDING EUROPEAN EQUIPMENT LIMITATIONS IN MBFR, AND BY RESISTING SHARP CRUISE MISSILE RANGE LIMITATIONS IN SALT, ARE LARGELY A HEDGE AGAINST THE US BET. ALTHOUGH THEY ADDRESS WHAT MAY BE CENTRAL UK SECURITY CONCERNS IN THE MID-80'S, THEY SHOULD BE CONJUGATED AT THE MOMENT IN THE FUTURE CONDITIONAL TENSE.

8. WITH NO PROSPECT OF AN INDEPENDENT AND PLAUSIBLE EUROPEAN DEFENSE FORCE ANY TIME SOON, BRITAIN ENDEAVORS TO STITCH THE UNITED STATES EVER MORE SECURELY TO THE DEFENSE OF EUROPE. IT ACCEPTS THIS YEAR ANOTHER WING OF F-111'S TO BRITAIN JUST AS IT WELCOMES 32,000 AMERICAN MILITARY PERSONNEL STATIONED IN THE UK, 45 PERCENT OF THE US AIR COMMITMENT TO NATO, AND OUR POLARIS BASE AT HOLY LOCH. ITS OWN COMMITMENT TO THE ALLIANCE REMAINS FIRM AND THE RECENT CUTS IN THE UK DEFENSE BUDGET WERE TAKEN WITH THE GREATEST RELUCTANCE. HMG REALLY DID WISH TO CHOOSE AWACS RATHER THAN NIMROD BECAUSE ITS NATURAL TROPISM IS TOWARD NATO. FOR THE SAME REASONS, BRITAIN ZEALOUSLY BACKS ALLIANCE INSTITUTIONS WHICH TIE THE US BY TREATY TO EUROPE. AT THE SAME TIME OF COURSE THESE ALLIANCE MECHANISMS GIVE THE EUROPEANS A VOICE IN US DEFENSE DECISION-MAKING, CRUISE MISSILES BEING ONLY THE LATEST EXAMPLE. ALL THE WHILE, THE UK DOES WHAT IT CAN TO SMOOTH OVER US-EUROPEAN DIFFERENCES. WE SAW THIS IN HAROLD WILSON'S ATTEMPT TO MEDIATE IN THE VIETNAM WAR AND THUS HELP RETURN AMERICAN ATTENTION TO EUROPE, IN THE BITTER TRANSATLANTIC ARGUMENTS DURING THE YEAR OF EUROPE, MORE RECENTLY IN THE FRENETIC EXCHANGES SURROUNDING THE PROPOSED JANUARY 31 EC STATEMENT ON THE MIDDLE EAST, AND IN CALLAGHAN'S SOOTHING SOUNDS IN WASHINGTON CONCERNING POTENTIAL US-EUROPEAN TACTICAL DISAGREEMENTS OVER HUMAN RIGHTS IN EASTERN EUROPE AND THE SOVIET UNION.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 06816 03 OF 05 271038Z

9. IT FOLLOWS THAT FROM THE BRITISH PERSPECTIVE, THE DEFENSE OF EUROPE IS, SHEDDING THE RHETORICAL, THE MOST IMMEDIATE COMMON ELEMENT IN THE US-UK SPECIAL RELATIONSHIP IN 1977, AS IT HAS BEEN SINCE 1945. OUR MAJOR DISAGREEMENTS WITH THE BRITISH IN THE PAST, E.G. SUEZ, SOUTHEAST ASIA, THE YOM KIPPUR WAR, HAVE ALMOST ALL OCCURRED OUTSIDE THE EUROPEAN THEATER. WITH BRITAIN'S RETREAT FROM ITS GLOBAL POLITICAL ROLE, WE NOW HAVE LESS TO QUARREL ABOUT STRATEGICALLY THAN EVER BEFORE. THE UK CAN HAVE NO SIGNIFICANT INTERNATIONAL SUCCESS ALONE, NOT IN SOUTHERN AFRICA AS IVOR RICHARD'S

BROKEN INITIATIVE REMINDED THEM LAST DECEMBER, NOT IN CYPRUS, NOT AT THE UN NOR IN THE MIDDLE EAST. IT MUST MOVE WITH OTHERS AND IN MOST CASES THAT MEANS, IN THE FIRST INSTANCE, WITH THE UNITED STATES. SO TODAY THERE ARE FEWER REASONS THAN EVER FOR BRITAIN AND THE UNITED STATES TO DIFFER ON INTERNATIONAL POLITICAL AND SECURITY ISSUES. ONLY IN SOUTHERN AFRICA IS THERE A VITAL REMEMBRANCE OF THINGS PAST FOR THE UNITED KINGDOM AND EVEN THERE, BRITAIN INSISTS ON HAVING THE US RESOLUTELY AT ITS SIDE. THE REST OF THE UK'S POLITICAL AND SECURITY INTERESTS ARE ALMOST EXCLUSIVELY CENTERED ON EUROPE, AND ITS GLOBAL FOREIGN POLICY IS IN MOST RESPECTS A FOREIGN ECONOMIC POLICY.

III. BRITISH ECONOMIC INTERESTS

10. BRITAIN IS A TRADING NATION. IT IS MORE DEPENDENT ON OVERSEAS TRADE AND ON EXTERNALLY SUPPLIED RAW MATERIALS THAN MOST OF ITS WESTERN INDUSTRIAL PARTNERS. IT IMPORTS ONE-HALF OF ITS FOOD SUPPLIES AND ONE-HALF OF ITS RAW MATERIALS. ONE-FIFTH OF ITS GNP IS MADE UP OF FOREIGN EXPORTS. HOWEVER, UNLIKE THE IMPERIAL DAYS, ITS ECONOMIC INTERESTS OUTSIDE THESE ISLANDS CAN NO LONGER BE PROTECTED THROUGH TRADING PREFERENCES AND MILITARY FORCE.

11. THUS BRITAIN REQUIRES A STABLE WORLD ORDER, AND
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 LONDON 06816 03 OF 05 271038Z

ESPECIALLY ECONOMIC COOPERATION AMONG THE INDUSTRIAL DEMOCRACIES TO CARRY ON ITS BUSINESS. THIS HAS LONG BEEN TRUE, BUT IN BRITAIN'S PRESENT CIRCUMSTANCES, IT IS VITAL. THIS EXPLAINS HMG'S CONCERN WITH THE NORTH-SOUTH DIALOGUE AND ITS GENERAL INTEREST IN INTERNATIONAL ECONOMIC COMITY. IF ITS EXPORTS TO, RAW MATERIALS FROM, AND INVESTMENTS IN THE THIRD WORLD WERE JEOPARDIZED, THE UNION JACK COULD DRAG THE GROUND. THIS ACCOUNTS FOR BRITAIN'S BIND IN SOUTHERN AFRICA.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 06816 04 OF 05 271044Z

ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 AF-04 IO-06 L-01 H-01 INR-05
PM-03 PRS-01 SP-02 ACDA-10 EB-04 OMB-01 USIA-01
TRSE-00 NSC-05 NSCE-00 CIAE-00 DODE-00 EA-06 /073 W
-----271103Z 009867 /21

R 271122Z APR 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 3117
INFO AMEMBASSY ANKARA
AMEMBASSY ATHENS
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY THE HAGUE
AMEMBASSY LISBON
AMEMBASSY LUXEMBOURG
AMEMBASSY MADRID
AMEMBASSY MOSCOW
AMEMBASSY NICOSIA
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY REYKJAVIK
AMEMBASSY ROME
AMCONSUL CAPE TOWN
USMISSION BERLIN
USMISSION USUN NEW YORK
USMISSION NATO BRUSSELS
USMISSION EC BRUSSELS

C O N F I D E N T I A L SECTION 04 OF 05 LONDON 06816

LIMDIS

EXTENSIVE ECONOMIC SANCTIONS SPRINGING FROM A CHAPTER
7 FINDING WOULD DESTROY SIGNIFICANT UK INTERESTS IN
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 06816 04 OF 05 271044Z

SOUTH AFRICA, IF HMG DID NOT VETO SUCH A RESOLUTION,
AND ENSURE LOSS OF INVESTMENT IN BLACK AFRICA IF IT
DID. THE UK WOULD LIKE TO AVOID THIS DILEMMA. IN
THE SAME WAY, OTHER INTERNATIONAL PROBLEMS WHICH SEEM
PRIMARILY POLITICAL TO THE US, SUCH AS NUCLEAR
REPROCESSING, CONVENTIONAL ARMS TRANSFER, THE CYPRUS
SBA'S, AIR CHARTER SERVICES FOR BERLIN, AND EVEN TO
SOME DEGREE ALLIED TROOPS IN THE FEDERAL REPUBLIC
AND PEACE IN THE MIDDLE EAST, HAVE PREEMINENT ECONOMIC
IMPLICATIONS FOR BRITAIN.

12. THESE ECONOMIC VULNERABILITIES ALSO MAKE UP THE HEART OF BRITAIN'S PRESENT VIEW OF ITS LEADERSHIP OF THE COMMONWEALTH. AFTER YEARS OF FADING AS AN IDEAL, AND BEING WHITTLED AWAY AS AN ECONOMIC CRUTCH, THE COMMONWEALTH HAS BECOME SINCE 1973 A POTENTIAL ASSET IN IMPROVING UK RELATIONS WITH THE THIRD WORLD. THE PRISM THROUGH WHICH BRITAIN LOOKS AT THE COMMONWEALTH IS NO LONGER PRINCIPALLY POLITICAL OR EMOTIONAL ALTHOUGH THERE WILL NO DOUBT BE LOTS OF LACY TALK AT THE JUNE COMMONWEALTH HEADS OF GOVERNMENT ABOUT DISSOLVING THE BLACK-WHITE DIVIDE. FOR THE BRITISH, THE COMMONWEALTH IN 1977 IS MOSTLY ABOUT TRADE AND INVESTMENT, ABOUT MONEY. GIVEN BRITAIN'S CURRENT ECONOMIC DEBILITATION, IT WOULD BE SURPRISING IF IT WERE ANY DIFFERENT.

IV. BRITAIN AND EUROPE

13. IT HAS BEEN OVER 15 YEARS SINCE THE UK FIRST APPLIED FOR MEMBERSHIP IN THE EUROPEAN COMMUNITY, BUT FOR THE 15 YEARS BEFORE THAT, BOTH OF BRITAIN'S MAJOR POLITICAL PARTIES REJECTED THE IDEA OF UK MEMBERSHIP IN A UNITED EUROPE. THE PRINCIPAL REASONS IN THE LATE 40'S AND 50'S FOR THIS BRITISH RELUCTANCE ARE THOSE WHICH EXPLAIN THE UK'S CURRENT PROBLEMS WITH ITS PARTNERS OVER DIRECT ELECTIONS TO THE EUROPEAN

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 06816 04 OF 05 271044Z

PARLIAMENT, BUTTER MOUNTAINS, THE GREEN POUND AND THE REST. PUT SIMPLY, MOST BRITISH CITIZENS HAVE NO WISH TO LOSE THEIR NATIONAL SOVEREIGNTY TO SUPRA-NATIONAL EUROPEAN INSTITUTIONS, ESPECIALLY IF--AS MANY THINK-- THERE IS ALSO AN ECONOMIC PRICE TO BE PAID. AMONG OTHER REASONS, THIS IS BECAUSE, UNLIKE MOST CONTINENTAL NATIONS, THE UK NEVER LOST ITS SOVEREIGNTY DURING THE SECOND WORLD WAR. THE IDEA OF A DISINTEGRATING EUROPEAN COMMUNITY AND CONSEQUENTLY A FRACTURED WESTERN EUROPE DOES NOT AROUSE THE FEARS IN BRITAIN THAT IT DOES ON THE CONTINENT.

14. MOREOVER, THE UK FOUND EUROPE AN ATTRACTIVE PROSPECT ONLY AFTER IT HAS CEASED TO BE ANYTHING NEAR AN EQUAL PARTNER WITH THE US AND ONLY AFTER THE POLITICAL AND ECONOMIC SHINE HAD GONE OFF THE COMMONWEALTH. IN THOSE DAYS, EUROPE WAS A FAR DISTANT THIRD CHOICE FOR BRITAIN'S FUTURE ALTHOUGH CHURCHILL SPOKE OF THE THREE INTERLOCKING CIRCLES OF BRITISH FOREIGN POLICY: THE ATLANTIC COMMUNITY, THE COMMONWEALTH AND EUROPE.

15. SEEN IN THIS LIGHT, BRITAIN'S CURRENT POLICY

TOWARD EUROPE IS UNSURPRISING. ITS PRINCIPAL
OBJECTIVE, BLUNTLY, IS TO INSURE THAT THE EC ACTS TO
BRITAIN'S ECONOMIC BENEFIT, OR AT LEAST NOT TO ITS
DISADVANTAGE, INTERNALLY THROUGH THE CAP, ENERGY
POLICY, FISHERIES POLICY, ETC., AND EXTERNALLY THROUGH
NEGOTIATION WITH THE COMMUNITY'S ECONOMIC COMPETITORS,
INCLUDING THE UNITED STATES. AT THE SAME TIME, THE
UK SEEKS TO PROTECT BRITISH SOVEREIGNTY AGAINST
RAPID EROSION BY EC INSTITUTIONS, TO BE COUNTED AS ONE
OF WESTERN EUROPE'S MAJOR POWERS, TO AVOID THE
EMERGENCE OF A FRANCO-GERMAN DOMINATED EUROPEAN
COMMUNITY WHICH WOULD BE IMPERVIOUS TO BRITISH
INFLUENCE, AND TO INCREASE BRITAIN'S POLITICAL ROLE IN
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 LONDON 06816 04 OF 05 271044Z

THE WORLD THROUGH ACTIVE PARTICIPATION IN EUROPEAN
POLITICAL COOPERATION, EVEN THOUGH IT RECOGNIZES THAT
THE NINE'S CURRENT POLITICAL INFLUENCE OUTSIDE EUROPE
IS, WHEN IT MATTERS, USUALLY MARGINAL.

V. CONSEQUENCES FOR THE UNITED STATES

16. THIS ANALYSIS SUGGESTS THAT FROM BRITAIN'S POINT
OF VIEW, RELATIONS WITH THE US WILL CONTINUE TO HAVE
PRIMACY IN THE NEXT FEW YEARS. THE REASONS SEEM PLAIN.
THE PRESENT PROBLEMS OF THE BRITISH ECONOMY WOULD

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LONDON 06816 05 OF 05 271044Z
ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 AF-04 IO-06 L-01 H-01 INR-05
PM-03 PRS-01 SP-02 ACDA-10 EB-04 OMB-01 USIA-01
TRSE-00 NSC-05 NSCE-00 CIAE-00 DODE-00 EA-06 /073 W
-----271104Z 009874 /21

R 271122Z APR 77
FM AMEMBASSY LONDON
TO SECSTATE WASHDC 3118
INFO AMEMBASSY ANKARA
AMEMBASSY ATHENS

AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY THE HAGUE
AMEMBASSY LISBON
AMEMBASSY LUXEMBOURG
AMEMBASSY MADRID
AMEMBASSY MOSCOW
AMEMBASSY NICOSIA
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY REYKJAVIK
AMEMBASSY ROME
AMCONSUL CAPE TOWN
USMISSION BERLIN
USMISSION USUN NEW YORK
USMISSION NATO BRUSSELS
USMISSION EC BRUSSELS

C O N F I D E N T I A L SECTION 05 OF 05 LONDON 06816

LIMDIS

PROFIT FROM A SIGNIFICANT BOOST IN WORLD TRADE. THE
BRITISH THINK ACTIONS TAKEN BY THE US, AND US PRESSURE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 06816 05 OF 05 271044Z

ON GERMANY AND JAPAN, COULD DO MUCH TO MAKE THAT POSSIBL
ALTHOUGH HMG RECOGNIZES THAT ITS INFLUENCE ON WASHINGTON
IN THIS REGARD WILL BE AT THE MARGINS, THESE PARTICULAR
MARGINS COULD MEAN A GOOD DEAL HERE. FURTHERMORE, THE
BRITISH TIE TO EUROPE IS NOT LIKELY TO GET MUCH STRONGER
IN THE FORESEEABLE FUTURE. WITH THE STAGNATION IN
EUROPEAN CONSTRUCTION, INSTABILITY IN SOUTHERN EUROPE,
THE PROBLEM OF EUROCOMMUNISM, 1978 ELECTIONS IN FRANCE,
EC ENLARGEMENT, THE UK--IN ITS PRAGMATIC FASHION--WILL
PROBABLY GO ON CALIBRATING ITS COMMUNITY POLICY LARGELY
IN ECONOMIC TERMS. EUROPEAN POLITICAL COOPERATION WILL
WAIT. THE UK WON'T MIND. EC POLITICAL COOPERATION WILL
GROW INCREMENTALLY AND SLOWLY. THE BRITISH EXPECT
NOTHING ELSE. MORE IMPORTANT, THE EVER MORE DANGEROUS
SOVIET MILITARY MACHINE CAN ONLY BE MET BY THE US SEC-
URITY GUARANTEE TO EUROPE. AN AUTONOMOUS EUROPEAN
DEFENSE FORCE, EVEN UNLIKELY AS THAT NOW SEEMS, WOULD
BRING ITS OWN PROBLEMS AND IN THE FINAL CRISIS BE IN-
ADEQUATE TO MEET THE SOVIET THREAT.

17. ALL THIS ARGUES THAT IN ADDITION TO US-UK
CULTURAL LINKS, JIM CALLAGHAN'S LIFELONG ATLANTICISM,
THE INCONTESTIBLE NATURAL WARMTH WHICH FLOWED FROM THE

PRIME MINISTER'S MARCH VISIT TO WASHINGTON AND WHICH
WILL NO DOUBT POSITIVELY SURGE HERE IN TEN DAYS' TIME,
THE BRITISH AS USUAL ARE LOOKING HARD AT THEIR CURRENT
CIRCUMSTANCES. THEY CANNOT STAND ALONE. IT IS AMERICA
THAT OFFERS THE UNITED KINGDOM ITS STRONGEST AND
SECUREST ALLY. AS CHURCHILL COUNSELED, THE BRITISH
WILL ATTEMPT TO AVOID ANY CHOICE AMONG THEIR INTER-
LOCKING CIRCLES, AND ESPECIALLY BETWEEN EUROPE AND
THE UNITED STATES. BUT WHEN TRANSATLANTIC CONFLICTS
EMERGE ON MAJOR INTERNATIONAL ISSUES, AND IF UK
ECONOMIC INTERESTS CAN BE REASONABLY PROTECTED, WE
BELIEVE BRITAIN WILL USUALLY SIDE WITH THE UNITED STATES.

SPIERS
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LONDON 06816 05 OF 05 271044Z

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN POLICY POSITION, INTELLIGENCE ASSESSMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 27-Apr-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON06816
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X1
Errors: N/A
Expiration:
Film Number: D770146-1130
Format: TEL
From: LONDON
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770415/aaaaamej.tel
Line Count: 676
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8f52c19c-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: LIMDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 13
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: LIMDIS
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2681343
Secure: OPEN
Status: NATIVE
Subject: A PERSPECTIVE ON BRITISH FOREIGN POLICY BEGIN SUMMARY: THE UK'S DOMESTIC CONDITION IS BAD. ITS FOREIGN POLICY HAS LOST MOST OF ITS MUSCLE. Y
TAGS: PFOR, UK
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/8f52c19c-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009